

Charity number: 276633
Company number: 01391200

The British Federation of Film Societies
Trustees' report and financial statements
for the year ended 31 March 2008



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VISION

Cinema for All

MISSION

To support, sustain and develop the community cinema movement in the UK, and to deliver public value to community cinema audiences throughout the UK.

STRATEGIC OBJECTIVES

1. To preserve, sustain and develop film society culture and its values, as an important element of the cultural heritage of the UK
2. To help film societies to start, build and maintain their activities
3. To bring the cultural and educational benefits of film to all communities, and to support public education in film culture
4. To represent the interests of all organisations engaged in delivering community cinema
5. To procure and disseminate accurate information for members on issues of importance or relevance to the community cinema movement
6. To provide training and development opportunities for the community cinema movement
7. To ensure BFFS is sufficiently resourced and appropriately structured to meet its objectives

BFFS AND THE COMMUNITY CINEMA SECTOR

The BFFS exists to support, sustain and develop the community cinema exhibition sector and to deliver public value to community audiences throughout the UK. It does this by researching and providing key data on the sector, by raising its profile, by actively developing new community cinema and film society ventures and by improving access to specialised film for all communities.

Research commissioned by BFFS shows there to be well over 700 community cinema providers in the UK. This includes all types of film societies and clubs including those in schools, Higher and Further Education colleges and universities, community groups, social clubs, youth clubs, small-scale film festivals, mobile and touring screen networks, mixed use venues that screen film, and independent cinemas who run active programmes of community engagement.

LEGAL AND ADMINISTRATIVE INFORMATION**STATUS**

The British Federation of Film Societies was incorporated as a Company and as a Charity on 27th September 1978. The British Federation of Film Societies is a company limited by guarantee and not having a share capital. The liability of the members is limited. The Trustees of the Charity are also the Directors of the Company.

TRUSTEES:

Jim Dempster (Treasurer)	
Bruce Dowles	(end of tenure 01/12/2007)
Ian Kerr (Vice Chair)	
David Miller (Chair)	
Danny Owens	(end of tenure 01/12/2007)
Dudley Smithers	(end of tenure 01/12/2007)

COMPANY SECRETARY: David Miller

MANAGEMENT COMMITTEE:

- Neil Chue Hong
- Brian Clay
- Tony Davison
- Jim Dempster
- Bruce Dowles
- Ian Kerr
- David Miller
- Danny Owens
- David Rea
- Dudley Smithers

The Management Committee was dissolved on 01/12/07. A Transition Board was appointed in its place pending the appointment of a new Board.

TRANSITION BOARD:

- Jim Dempster (Treasurer)
- Ian Kerr (Vice Chair)
- David Miller (Chair)

LEGAL AND ADMINISTRATIVE INFORMATION – CONTINUED

COMPANY NUMBER: 01391200

CHARITY NUMBER: 276633

REGISTERED OFFICE: Unit 315
The Workstation
15 Paternoster Row
Sheffield
South Yorkshire
S1 2BX

ACCOUNTANTS: K B Ferguson Ltd
95 High Street
Gorseinon
Swansea

BANKERS: Lloyds TSB
2 Glanmor Road
Uplands
Swansea

Investec Bank (UK) Ltd
2 Gresham Street
London

TRUSTEES' REPORT FOR THE YEAR ENDED 31st MARCH 2008

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2008.

Reference and administrative details

Legal and administrative information set out on pages 2-3 form part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005).

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purposes of charity law and throughout this report are collectively referred to as trustees.

Charitable objects

The objects for which the BFFS is established are:-

- i. to advance the education of and to encourage the interest of the public in film as an art and as a medium for information, education and social enlightenment; and
- ii. to promote the study and appreciation of films

Policies

Resourcing

The Board is responsible for ensuring sufficient resourcing of the organisation.

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest in any way the trustees see fit provided that no form of permanent trading is undertaken.

Reserves policy

BFFS funds current activities and longer term developments from grants and donations received and from income generated from subscriptions and other activities. The short-term objective is to hold reserves of unrestricted cash balances equivalent to two months expenditure on unrestricted activities. In the longer term, BFFS intends to maintain its free reserves (net unrestricted current assets) at a level that will mitigate against any unforeseen expenditure or fall in income.

Grant making policy

Under the Memorandum & Articles of Association the charity is able to make grants, aid or contribute towards the funds of Film Societies as it sees fit.

Risk management

BFFS is in the process of completing a risk assessment. The outcome is intended to be a risk register which encompasses the governance and management of the charity, the operational risks, the financial risks, environmental factors and compliance issues. The trustees are establishing systems and procedures to address those potential risks and to minimise any impact on the charity if the risks materialise.

Trustees' responsibilities in relation to the financial statements

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees have overall responsibility for ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accountants

K B Ferguson Ltd were appointed accountants to the charity. A resolution proposing the appointment of an accountant will be put to the Annual General Meeting.

This report was approved by the Board on 28 September 2008 and signed on its behalf by:

Signature ----- Date -----
 David Miller, BFFS Chairman

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL STATEMENTS OF THE BRITISH FEDERATION OF FILM SOCIETIES

I report on the financial statements of British Federation of Film Societies (The) for the year ended 31 March 2008 which comprise of the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to examine the accounts (under section 43(3)(a) of the 1993 Act), and to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act. It is also my responsibility to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**K B Ferguson Limited
Chartered Certified Accountants
95 High Street
Gorseinon
Swansea**

This report was approved K B Ferguson Limited

Signature ----- Date -----

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2008

	Notes	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
Incoming resources					
Grants	2	-	62,160	62,160	49,300
Subscriptions	3	10,905	-	10,905	12,240
Activities in furtherance of the charity's objects	4	9,063	-	9,063	3,649
Investment income	5	1,726	-	1,726	1,551
Total incoming resources		<u>21,694</u>	<u>62,160</u>	<u>83,854</u>	<u>66,740</u>
Resources expended					
Costs of activities in furtherance of the charity's objects	6	21,006	59,159	80,165	74,217
Costs of generating income	6.1	600	-	600	4,847
Activities in the governance of the charity	6.2	3,184	-	3,184	10,328
Total resources expended		<u>(24,790)</u>	<u>(59,159)</u>	<u>(83,949)</u>	<u>(89,392)</u>
Net movement in funds		(3,096)	3,001	(95)	(22,652)
Total funds brought forward		4,049	7,320	11,369	34,021
Transfers		7,320	(7,320)	-	-
Total funds carried forward		<u>8,273</u>	<u>3,001</u>	<u>11,274</u>	<u>11,369</u>

The notes on pages 10-14 form an integral part of these financial statements

BALANCE SHEET AS AT 31 MARCH 2008

		2008		2007	
	Notes	£	£	£	£
Fixed assets	8		-		-
Current assets					
Debtors	9	2,310		5,957	
Cash at bank and in hand		39,084		47,657	
		<u>41,394</u>		<u>53,614</u>	
Creditors: amounts falling due within one year	10	<u>(30,120)</u>		<u>(42,245)</u>	
Net current assets			<u>11,274</u>		<u>11,369</u>
			<u>11,274</u>		<u>11,369</u>
Net assets					
Funds					
Unrestricted funds	12		8,273		4,049
Restricted funds	13		3,001		7,320
			<u>11,274</u>		<u>11,369</u>

The trustees' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 10-14 form an integral part of these financial statements

BALANCE SHEET AS AT 31 MARCH 2008 (CONTINUED)

In approving these financial statements as trustees of the company we hereby confirm:

- (a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- (b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 March 2008 and
- (c) that we acknowledge our responsibilities for:
 - (1) ensuring that the company keeps accounting records which comply with Section 221, and
 - (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 28 September 2008 and signed on its behalf by:

Signature ----- Date -----

David Miller, BFFS Chairman

Signature ----- Date -----

Jim Dempster, BFFS Treasurer

The notes on pages 10-14 form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice' (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985.

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

1.2. Incoming resources

Grants, including grants for the purchase of fixed assets, are allocated to the periods in accordance with a detailed schedule of associated expenditure.

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

All expenditure is included on an accrual basis and is recognised when there is a legal or constructive obligation to pay for the expenditure.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Office Furniture and Equipment - 1 year

NOTES CONT...**2. Grant income**

	Restricted funds	2008	2007
	£	£	£
UK Film Council Grant	49,000	49,000	49,000
Northern Film and Media	1,000	1,000	-
Northern Ireland Screen Grant	-	-	300
Screen Yorkshire	8,560	8,560	-
Screen West Midlands	1,000	1,000	-
Screen South	1,600	1,600	-
Screen East	1,000	1,000	-
	<u>62,160</u>	<u>62,160</u>	<u>49,300</u>

3. Subscription income

	Unrestricted funds	2008	2007
	£	£	£
Annual Subscriptions	10,905	10,905	12,240
	<u>10,905</u>	<u>10,905</u>	<u>12,240</u>

4. Activities in furtherance of the charity's objects

	Unrestricted funds	2008	2007
	£	£	£
National Conference, NewsReel, Website and other sales	9,063	9,063	3,649
	<u>9,063</u>	<u>9,063</u>	<u>3,649</u>

5. Investment income

	Unrestricted funds	2008	2007
	£	£	£
Deposit interest	1,726	1,726	1,301
Other income	-	-	250
	<u>1,726</u>	<u>1,726</u>	<u>1,551</u>

NOTES CONT...

6. Costs of activities in furtherance of the charity's objects

	2008 Restricted £	2008 Unrestricted £	2008 Total £	2007 Total £
Advice and Strategy	12,000	-	12,000	15,000
Advice and Support	3,100	-	3,100	2,240
Block Booking	-	3,870	3,870	1,778
Events	7,038	-	7,038	3,100
Finances	750	1,384	2,134	4,329
Legal Costs	2,207	5,737	7,944	6,840
Operations	25,351	3,481	28,832	27,626
Other expenses	797	6,534	7,331	4,767
Project supervision	2,230	-	2,230	3,477
Regional Development/Support	5,686	-	5,686	5,060
	59,159	21,006	80,165	74,217

6.1. Costs of generating income

	2008 £	2007 £
Fundraising costs	600	4,847
	600	4,847

6.2. Governance costs

	2008 £	2007 £
Officers and Management Committee Expenses	2,073	6,695
Legal and professional	1,111	1,545
Accountancy	-	2,088
	3,184	10,328

7. Employees

The average monthly numbers of employees (including the trustees) during the year were:

2008 Number	2007 Number
2	2
2	2

NOTES CONT...

Employment costs

	2008 £	2007 £
<u>Administration</u>		
Wages and salaries	17,650	18,690
Social security costs	5,614	1,477
Severance pay	-	750
Administration	125	-
	23,389	20,917

The trustees do not receive remuneration (2007 - Nil). The trustees were reimbursed expenses such as travel and subsistence during the year totalling £2,073 (2007 £4,905)

8. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings and equipment £	Total £
Cost			
At 01 April 2007	120,241	12,329	132,570
Additions	-	877	877
At 31 March 2008	120,241	13,206	133,447
Depreciation			
At 01 April 2007	120,241	12,329	132,570
Charge for the year	-	877	877
At 31 March 2008	120,241	13,026	133,447
At 31 March 2008	-	-	-

9. Debtors

	2008 £	2007 £
Trade debtors	2,310	5,445
Prepayments and accrued income	-	512
	2,310	5,957

NOTES CONT...**10. Creditors: amounts falling due within one year**

	2008	2007
	£	£
Trade creditors	3,293	1,400
Other taxes and social security costs	1,391	-
Other creditors	4,751	-
Accruals and deferred income	20,685	40,685
	<u>30,120</u>	<u>42,245</u>

During the 2007/2008 accounting year, the BFFS received a total of £71,020 of funding from the UK Film Council, of which £20,685 has been deferred to the 2008/2009 accounting year.

11. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fund balances at 31 March 2008 as represented by:			
Current assets less current liabilities	8,273	3,001	11,274
	<u>8,273</u>	<u>3,001</u>	<u>11,274</u>

12. Unrestricted funds

	01 April 2007	Incoming	Outgoing	31 March 2008
	£	£	£	£
General unrestricted fund	4,049	21,694	(24,790)	953
Transfers	-	-	-	7,320
	<u>4,049</u>	<u>21,694</u>	<u>(24,790)</u>	<u>8,273</u>

Purposes of unrestricted funds

These are funds which can be used in accordance with the charitable objectives at the discretion of the trustees.

13. Restricted funds

	01 April 2007	Incoming	Outgoing	31 March 2008
	£	£	£	£
Restricted funds	7,320	62,160	(59,159)	10,321
Transfers	-	-	-	(7,320)
	<u>7,320</u>	<u>62,160</u>	<u>(59,159)</u>	<u>3,001</u>

14. Controlling interest

There is no individual controlling party.

ACKNOWLEDGEMENTS

The Trustees would like to extend their sincere thanks to the small team of professional staff, consultants and volunteers who comprise BFFS central and regional operations, whose passion and dedication to the community cinema movement has enabled the consolidation and continued growth and development of BFFS.